

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)
)
Truth-in-Billing) CC Docket No. 98-170
)
and)
)
Billing Format)

To: The Commission

COMMENTS OF COMMONWEALTH TELEPHONE COMPANY

Commonwealth Telephone Company ("Commonwealth"), by its attorneys, hereby comments on the Notice of Proposed Rulemaking ("Notice") issued by the Commission on September 17, 1998 regarding the captioned proceeding.

I. Overview

Commonwealth is an independent telephone company that serves and bills approximately 260,000 residential and business customers in eastern Pennsylvania. Commonwealth commends the Commission for its efforts to encourage clear and understandable telephone bills. Even prior to issuance of the Commission's Notice, Commonwealth has taken a responsible, customer-focused approach toward billing, as Commonwealth recognizes the importance of clear, customer-oriented billing practices and the need to ensure that bills help the customer rather than cause confusion.

Commonwealth urges that the Commission adopt broad guidelines rather than precise prescriptions to ensure that the industry produces accurate and understandable bills. Carriers such as Commonwealth, that have invested time, money and resources to generate bills that are reader

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friendly should not be burdened with additional regulations and costs that would do nothing to reduce customer confusion or serve the public interest. Commonwealth completely reformatted its bills in July of 1996 to conform to the requirements of the Pennsylvania Public Utilities Commission ("Pennsylvania PUC"), and its billing procedures and formats have continued to evolve over time to best meet the needs of consumers. In fact, Commonwealth has been ranked number one by the Pennsylvania PUC in customer responsiveness in seven of the last eight years.

As will be discussed in more detail below, Commonwealth is concerned that rules that prescribe specific formats rather than provide broad guidelines may result in the following problems:

- FCC rules that conflict with state rules. Very often, the billing format and wording are based upon or determined by state attorney general or utility commission requirements.
- Bills that are so lengthy that the customers consider their review to be onerous, resulting in payment without review.
- Requirements that are inconsistent with current company billing formats and limitations, resulting in massive and expensive software changes.

II. Organization of the Bill

In paragraph 16 of the Notice, the Commission proposes that telephone bills should be organized to be readable and to present information clearly and conspicuously. Commonwealth agrees and has been striving to meet that objective by itemizing its services. Definitions of each of the items are included with the bill on the back of the first page.

In paragraph 17, the Commission proposes that separate categories of services (such as local, long distance, and miscellaneous services) appear in separate sections within the telephone bill, and if possible on separate pages. Commonwealth's bills already show services provided by toll carriers in separate sections from Commonwealth's local services. However, Commonwealth would object

to a requirement to use separate pages. In order to make its bills more readable, Commonwealth converted to printing its bills on 8½ by 11 inch paper. The size of the paper is well suited for providing separate sections, but the requirement of separate pages would result in the unnecessary expense of additional paper and postage.

In paragraph 18, the Commission proposes that each bill contain a single page or section summarizing the current status of the customer's services, including information on the interexchange carriers, local exchange carrier and other service providers. Commonwealth believes that this proposal will cause customer confusion because it will require printing duplicative information. In addition, it would be costly to change the billing format to provide the information in the manner proposed. Commonwealth shows the name of the service provider at the beginning of the section for that service provider. Commonwealth proposes that the Commission requirement be limited to conspicuously showing the names of the service providers, without mandating where in the bill the information be shown.

In paragraph 19, the Commission proposes that telephone bills include a status page or section that provides a clear and conspicuous notification of any changes or new charges on the bill. This information is already contained in the relevant sections of the bill, and would be redundant if placed in a summary section or page. It would be difficult for Commonwealth to implement, because of the need to redesign billing programs that are designed to provide information for different carriers in different sections of the bill. It would make the bill lengthier, thereby making it more costly to produce and mail the bill. It would confront consumers with a lengthier bill to read and redundant information that would cause confusion. Commonwealth would support a

requirement that carriers inform customers of changes and new charges, but the Commission should permit carriers to decide how to provide the information.

III. Descriptions of Services and Identification of Providers

In paragraph 23, the Commission proposes that the name of the service provider be clearly and conspicuously identified in association with that entity's charges. Commonwealth agrees and its bills are formatted with that objective in mind. The Commission proposes that the name of the service provider itself must be included, and that listing the name of the billing aggregator or clearinghouse alone will not be sufficient, even if the aggregator or clearinghouse has full legal responsibility for the charges. The entity to be identified should be the entity that the customer can contact to make billing inquiries. That way, the customer knows who to call and who will respond to and investigate the customer's complaint. Providing additional information would confuse the customer, because the customer would not know who to call.

The Commission also proposes that when the service is provided by a reseller, the name of the reseller, and not the name of the underlying facilities carrier, be disclosed. Commonwealth agrees, because in the case of a reseller, the customer is subscribing to service from the reseller and the underlying facilities provider is immaterial. In fact, many reseller agreements prohibit the reseller from using the name of the underlying facilities carrier.

In paragraph 24, the Commission asks whether bills should differentiate between "deniable" and "non-deniable" charges. "Deniable" charges are those charges that could result in termination of service if left unpaid. Commonwealth is opposed to providing this information on the bill itself because (i) the additional information clutters up the bill with too much information, thus adding confusion to the bill; and (ii) it invites customers not to pay the "non-deniable" charges. On the

other hand, Commonwealth does inform customers as to which charges must be paid to avoid a service cut-off in Commonwealth's termination of service notices. Commonwealth submits that the termination of service notice is the proper place to inform customers as to which charges are "deniable", because the customer needs to accurately know what he or she must do to avoid a service cut-off when termination is imminent.

In general, the states have put in place consumer-focused mechanisms for resolution of billing complaints and termination of service. If the Commission were to regulate this area as well, it would be redundant in some states and in conflict with state regulation in others. Therefore, the Commission ought to defer its judgment to that of the states, but reserve the right to regulate this area in the event the Commission determines at a later time that the states are not adequately protecting the interests of the consumers.

IV. Provision of Consumer Inquiry/Complaint Information

In paragraph 33, the Commission states that each bill should contain all the necessary information to enable a consumer to take action on his or her own behalf to dispute the charges contained in the bill. In paragraph 34, the Commission seeks comment on whether the inclusion of the name, address and toll-free telephone number for the receipt of consumer inquiries and complaints is sufficient. Commonwealth currently lists on its bills all telephone numbers for customer inquiries for billing and service problems, and suggests that such information is sufficient for the customers to make inquiries and complaints. Commonwealth is also willing to provide the telephone numbers of other billing entities in their sections of the bills. The key is for the bill to provide the number for the customer to call such that the customer can speak to the appropriate person when making billing inquiries.

In paragraph 34, the Commission states that carriers must train their customer service representatives to give accurate and non-misleading information to consumers who contact them with complaints and inquiries, and notes that failure to do so could be considered an unjust and unreasonable practice in violation of Section 201(b) of the Communications Act of 1934, as amended. Commonwealth trains its representatives to provide high quality customer service, which includes giving the customer accurate information. In fact, the Pennsylvania Public Utilities Commission ranked Commonwealth number one in customer responsiveness in seven of the last eight years.


Commonwealth supports any general requirement to provide accurate information, but would view specific prescriptions as overly intrusive and burdensome. Each carrier should be able to decide its own method of operating within broad guidelines. The specifics should be left to the marketplace and the Commission's complaint procedures.

VI. Conclusion

Commonwealth Telephone Company supports the Commission's efforts to ensure truth-in-billing. However, companies such as Commonwealth, that have gone to extra measures to assure that their customers have the information they need to understand their billing, should not be required to go through the additional expense of reformatting their bills because other companies are not doing the same. Instead, Commonwealth supports the adoption of broad guidelines, leaving the specifics to the marketplace and the Commission's complaint procedures.

Respectfully submitted,

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